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## MEMORANDUM FOR THE RECORD

SUBJECT: Meetings at Bureau of the Budget on Financial and Construction Plans for New Building

STATINTL

- 1. On 25 August 1959, in response to a request from Mr. Ecker for a briefing on the status of new building construction and the financial construction plans to the end of the project, Mr. of the Building Planning Staff and I visited the Bureau of the Budget. We talked with Mr. Ecker and Mr. Benton, the BOB analyst covering General Services Administration.
- 2. Mr. Ecker was interested primarily in our Contingency reservations and the possible claims which would arise against this Reserve as construction proceeds. His concern arose out of the experience of the Department of State which entered into contracts for their building with sizeable reserves, but which has now been forced to request a supplemental appropriation.

STATINTL

and projects up to the present time and explained the various types of change orders which could be anticipated. A large volume of change orders in partition locations is expected and was provided for in the construction contract which specifies that we must pay for additional total quantities of the "moveable" portions, but not for simple relocations. We would, of course, be charged for the revision of plans and drawings made necessary by such changes. Generally, the Building Planning Staff feels that our reserves should be adequate and pointed out instances in which requests for costly or unreasonable revisions of the plans are being denied.



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4. Our apportionment request was discussed and it was pointed out that GSA's apportionment request included in the first quarter approximately \$2,000,000 for contingencies. The list of installed items which become a part of the building and other projects which will be financed from planned reservations (auditorium seats, library shelving, projection and Public Address System, etc.) were also briefly outlined.

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5. I agreed to furnish Mr. Ecker periodically with data relative to our reservations and the changes which affect these reserves. Mr. will furnish timely data on change orders, etc., which affect the uncommitted balance of building funds to me.

STATINTL

Chief, Analysis Branch #3

BD/COMP/CNM/SWR/odb (4 September 1959)

Distribution:

STATINTL

M - Comptroller

1 - Mr.

Bldg. Planning Staff

STATINTL

2 - Budget Division 1 - Mr.